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Canada's New Government Introduces Draft Legislative Proposals to Implement the Registered Disability Savings Plan

The Honourable Jim Flaherty, Minister of Finance, and the Honourable Monte Solberg, Minister of Human Resources and Social Development, today released draft legislative proposals to implement the Registered Disability Savings Plan (RDSP) announced in Budget 2007.

"The legislative proposals being released today are an important step towards helping persons with severe disabilities, and their families, save for their financial future," said Minister Flaherty. "We will endeavour to complete this legislative process as quickly as possible so that Canadians with disabilities have access to the financial support they need."

RDSPs are being introduced in response to the recommendations of the Minister of Finance's Expert Panel on Financial Security for Children with Severe Disabilities, which tabled its report in December 2006.

Under the new measure, individuals who qualify for the disability tax credit, or their parents or other legal guardian, will be able to establish an RDSP. RDSPs will be eligible to receive payments of the new Canada Disability Savings Grants (CDSGs) and, for low- and modest-income beneficiaries, Canada Disability Savings Bonds (CDSBs).

The proposals include amendments to the Income Tax Act and Income Tax Regulations dealing primarily with the establishment of RDSPs. They also introduce the Canada Disability Savings Act, which would be administered by Human Resources and Social Development Canada and would provide for payment into RDSPs of the new CDSGs and CDSBs.

"Helping Canadians with disabilities means giving them the means to plan for their financial future," said Minister Solberg. "With this proposed legislation, Canada's New Government is taking an active role in making sure the people who need it most are getting the long-term financial support they require."

Interested parties are invited to provide comments in writing on the draft legislative proposals. Comments can be sent jointly to the Tax Policy Branch, Department of Finance and the Office of Disability Issues, Human Resources and Social Development Canada at 140 O'Connor Street, Ottawa, ON, K1A 0G5 on or before October 23, 2007.

Following this consultation period, the Government intends to introduce legislation, including regulations under the Canada Disability Savings Act, to implement the program as quickly as possible.

The legislative proposals and explanatory notes released today are available free of charge on the Department of Finance website (www.fin.gc.ca). Printed copies will be available at a later date for $10 from the Department of Finance Distribution Centre at 613-995-2855. This publication is also available in alternative formats (large print, audio cassette, Braille and computer diskette) in French and English by calling 1-800-622-6232 (toll-free) on a touchtone phone. TTY at 1-800-926-9105.

This news release is available in alternative formats upon request.

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